Supplemental Reporting Document
Table of Contents
August 2006 Investment Committee Meeting
(May 2006 Reporting Period)

Chief Investment Officer’s/Assistant Executive Officer’s Report

Asset Allocation
Performance
California Investments
Disclosure of Closed Session Action Items (No items to report)

TARGET PERCENTAGE COMPARISON
ASSET ALLOCATION[1]
As of May 31, 2006

(A) Asset Class	(B) Market Value ($ Billion)	(C) Current Allocation	(D) Target	(E) Macro Ranges	(F) Difference (C-D)
Total Cash Equivalents	**1.5**	**0.8 %**	**0.0 %**		**0.8 %**
Total AIM: Direct/Partnership	**11.1**	**5.4**	**6.0**	**3-9 %**	**-0.6**
Total Global Fixed Income	**50.0**	**24.3**	**26.0**	**21-31 %**	**-1.7**
Equities					
Domestic[2]	**83.4**	**40.5**	**40.0**		**0.5**
International	**48.3**	**23.5**	**20.0**		**3.5**
Total Equities	**131.7**	**64.0**	**60.0**	**61-71 %**	**4.0**
Total Real Estate	**11.6**	**5.6**	**8.0**	**4-12 %**	**-2.4**
Total Equities & Real Estate	**143.2**	**69.6**	**68.0**		**1.6**
Total Fund	**205.9**	**100.0 %**	**100.0 %**		

[1] As allocated to managers.

[2] Included is MDP Investment: LM Capital Investment: Total Market Value **=$179.2M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON
ASSET ALLOCATION
As of May 31, 2006

(A) Asset Class	(B) Current Allocation	(C) Market Value ($ Billion)	(D) New Policy[1] ($ Billion)	(E) Difference (D-C) ($ Billion)
Total Cash Equivalents	**0.8 %**	**1.5**	**0.0**	**-1.5**
Total AIM: Direct/Partnership	**5.4**	**11.1**	**12.4**	**1.2**
Total Global Fixed Income	**24.3**	**50.0**	**53.5**	**3.5**
Equities				
Domestic[2]	**40.5**	**83.4**	**82.4**	**-1.0**
International	**23.5**	**48.3**	**41.2**	**-7.2**
Total Equities	**64.0**	**131.7**	**123.5**	**-8.1**
Total Real Estate	**5.6**	**11.6**	**16.5**	**4.9**
Total Equities & Real Estate	**69.6**	**143.2**	**140.0**	**-3.2**
Total Fund	**100.0 %**	**205.9**	**205.9**	

[1] New Policy: Strategic asset allocation targets effective January 1, 2005.

[2] Included is MDP Investment: LM Capital Investment: Total Market Value= **$179.2M.**

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MONTHLY PROGRESS REPORT
ASSET ALLOCATION[1]
As of May 31, 2006

(A)	(B)	(C)	(D)	(E)
Asset Class	4/30/2006 Market Value ($ Billion)	5/31/2006 Market Value ($ Billion)	Difference (C-B) ($ Billion)	Target ($ Billion)
Total Cash Equivalents	1.4	1.5	0.1	0.0
Total AIM: Direct/Partnership	10.5	11.1	0.6	12.4
Total Global Fixed Income	50.2	50.0	-0.2	53.5
Equities				
Domestic[2]	85.9	83.4	-2.6	82.4
International	52.1	48.3	-3.8	41.2
Total Equities	138.1	131.7	-6.4	123.5
Total Real Estate	10.8	11.6	0.7	16.5
Total Equities & Real Estate	148.9	143.2	-5.6	140.0
Total Fund	211.1	205.9	-5.2	205.9

[1] Monthly progress report toward new policy targets.

[2] Included is MDP Investment: LM Capital Investment: Total Market Value= **$179.2M.**

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BOOK VS MARKET VALUE

As of May 31, 2006

(A) Asset Class	(B) Book Value ($ Billion)	(C) Market Value ($ Billion)	(D) Difference (C - B) ($ Billion)
Total Cash Equivalents	**1.5**	**1.5**	**0.0**
Total AIM: Direct/Partnership	**12.7**	**11.1**	**-1.6**
Total Global Fixed Income	**50.9**	**50.0**	**-0.9**
Equities			
Domestic[1]	**50.0**	**83.4**	**33.3**
International	**36.9**	**48.3**	**11.5**
Total Equities	**86.9**	**131.7**	**44.8**
Total Real Estate	**12.1**	**11.6**	**-0.5**
Total Equities & Real Estate	**99.0**	**143.2**	**44.2**
Total Fund	**164.2**	**205.9**	**41.7**

[1] Included is MDP Investment- LM Capital Investment: Total Book Value=**$186.1M**, Total Market Value=**$179.2M.**

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GROSS PERFORMANCE VS EXPECTED RETURNS

One Year
June 1, 2005 to May 31, 2006

(A) Asset Class	(B) Current Allocation	(C) Asset Return	(D) CalPERS Long-Term Expected Annual Return[1]	(E) Expected Standard Deviation	(F) One Standard Deviation Range
Total Cash Equivalents	0.8 %	4.3 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.4	19.5	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.3	-0.5	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.5	10.6	9.6	17.0	-7.4 - 26.6
International	23.5	30.0	9.1	19.5	-10.4 - 28.6
Total Equities	64.0	17.2			
Total Real Estate	5.6	48.0	8.5	14.0	-5.5 - 22.5
Total Fund	100.0	13.8	8.8	12.2	-3.4 - 21.0

[1] Asset Allocation Workshop, October 2004

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When summing net amounts on this report, there may be breakage.

NET PERFORMANCE VS EXPECTED RETURNS

One Year

June 1, 2005 to May 31, 2006

(A) Asset Class	(B) Current Allocation	(C) Asset Return	(D) CalPERS Long-Term Expected Annual Return[1]	(E) Expected Standard Deviation	(F) One Standard Deviation Range
Total Cash Equivalents	0.8 %	4.3 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.4	19.5	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.3	-0.5	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.5	10.6	9.6	17.0	-7.4 - 26.6
International	23.5	29.9	9.1	19.5	-10.4 - 28.6
Total Equities	64.0	17.2			
Total Real Estate	5.6	37.9	8.5	14.0	-5.5 - 22.5
Total Fund	100.0	13.4	8.8	12.2	-3.4 - 21.0

[1] Asset Allocation Workshop, October 2004

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When summing net amounts on this report, there may be breakage.

GROSS RETURNS

One Year

June 1, 2005 to May 31, 2006

	(A)	(B)	(C)
Asset Classes	**Reported Gross Return**	**Expenses[1] (Percent)**	**Net Return (A-B)**
Total Cash Equivalents	**4.26%**	**0.00%**	**4.26%**
Total AIM	**19.49%**	**0.03%**	**19.46%**
Total Global Fixed Income	**-0.46%**	**0.01%**	**-0.47%**
Equities			
Domestic	**10.59%**	**0.04%**	**10.55%**
International	**29.99%**	**0.09%**	**29.90%**
Total Equities	**17.23%**	**0.06%**	**17.17%**
Total Real Estate	**47.95%**	**10.01%**	**37.94%**
Total Fund	**13.83%**	**0.45%**	**13.38%**

[1] Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALPERS INVESTMENT IN CALIFORNIA as of May 31, 2006

(A) Asset Class	(B) Portfolio Value ($ millions)	(C) California (Commitment/ Investments)[1] ($ millions)	(D) California Investments ($ millions)	(E) CA Investment as % of Asset Class (D/B) %	(F) Program Description or Assumption
REAL ESTATE					
Total Real Estate	**11,558.3**	**8,036.4**	**3,944.4**	**34 %**	**Outstanding commitments (column C/column B): 69.5%**
EQUITY					
AIM: Partnership Component	11,106.3	1,900.0	1,600.0	14	Includes commitments through May 31, 2006
Domestic Equity	83,350.9	12,502.6	12,502.6	15	CA investment is approximately 15%
International Equity	48,337.0	0.0	0.0	0	
Total Equities	**142,794.1**	**14,402.6**	**14,102.6**	**10 %**	
FIXED INCOME					
Domestic Fixed Income					
Corporate / Treasury Bonds	26,244.3	492.6	492.6	2	Companies headquartered in CA
Mortgages and Commercial (Whole Loans/MBS)	15,745.7	2,817.5	2,817.5	18	Mortgage CA investments assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	1,337.9	0.0	0.0	0	
Subtotal	43,327.9	3,310.1	3,310.1	8	
International Fixed Income	6,674.7	0.0	0.0	0	
Total Fixed Income	**50,002.6**	**3,310.1**	**3,310.1**	**7 %**	
CASH / CASH EQUIVALENTS					
Total Cash / Cash Equivalents	1,546.3	0.0	0.0	0	On deposit at the Treasurer's Office: $801.15
TOTAL	**205,901.3**	**25,749.1**	**21,357.1**	**10 %**	**Outstanding commitments (column C/column B): 12.5%**
	========	=======	=======	====	

[1] Total actual investments at market value and outstanding program commitments in California